



## PURCHASE ORDER

The purchase order number must appear on all delivery slips and invoices.

 Purchase Order No.: 313596  
 Order Revision No.: 0

 Supplier No.: 10165554 Vendor: Supreme Manufacturing, Inc.  
 327 Billy Boyd Road  
 Stoneboro PA 16153  
 Tax ID: 25-1646108

 Ship To: United Rock Products  
 1245 E. Arrow Highway  
 Irwindale CA 91706

Order Date: 10/2/2014 Order Type: OC Carrier: Freight Terms: Payment Terms:

Due Upon Receipt

If there are any questions concerning this purchase order, please contact:

Currency: Page:

Name: Hill, Michael E

USD Page 1 of 3

Line No.	Promise Delivery	Quantity	UoM	Item No.	Description	Unit Cost	Extended Cost
1	10/2/2014	1.00	EA	1	CIP Equipment	8,166,700.00	8,166,700.00

## \* Scope of Supply:

Sully-Miller Contracting Company doing business as United Rock Products (hereinafter known as "Buyer") agrees to purchase the CIP Equipment that shall be furnished by Supreme Manufacturing, Inc. (hereinafter known as "Seller" or "Supplier") as per the Supreme Manufacturing 16 Yard Twin Dredge Quotation dated November 4, 2014, pages 2-8 only, attached hereto as Exhibit A, except as specifically modified herein. It is acknowledged and agreed that Exhibit A is included for informational purposes only to provide a general description of the CIP Equipment and the related scope of work for fabrication, delivery, assembly, start-up and training of the CIP Equipment, and that all equipment, parts, services and labor necessary for the CIP Equipment to operate for its intended purpose is included, whether or not specifically called out in Exhibit A. The Seller shall arrange and pay for the shipping of the CIP Equipment to United Rock Products Job Site Location (hereinafter known as "Buyer's Location") within two miles of 2600 Avenida Barbosa, Irwindale, CA 91706 and the complete assembly of the CIP Equipment. Seller shall also provide two (2) weeks of onsite training by an experienced dredge operator reasonably acceptable to Buyer. Seller shall have no obligation to provide additional training to Buyer personnel if said employees are absent from work at any time during such training period.

## \* Payment Terms:

10 % (of the Purchase Price) Down Payment paid within fifteen (15) days of Order Date after Buyer has received an Escrow Account from Seller (in a form and from a Bank acceptable to the Buyer) to Guarantee Down Payment. 75% Upon Seller's delivery of all Seller supplied Dredge Components & equipment at Buyer's Location. 15% within thirty (30) days after Buyer determines, in good faith, that the CIP Equipment has been completely assembled and is operating properly for its intended purpose and that Seller has provided Buyer with the two week training period described above. Said thirty (30) day period shall not be tolled if Buyer fails to timely supply Seller with Buyer supplied features and components for incorporation by Seller into the CIP Equipment. Buyer may conduct inspections, at mutually convenient times but at least once every (60) Days from the date of this Order, of the status of the work. Prior to conducting any such inspection, Buyer shall provide Seller with evidence that such inspectors are covered by workers compensation insurance. In addition, such inspectors shall comply with all of Seller's safety and security procedures. Seller shall promptly and timely cure any discrepancies noted in Buyer's inspection.

Sales Tax:		0.00
Mail Invoices to:	Total:	8,166,700.00
United Rock Products 1245 E. Arrow Highway Irwindale CA 91706		
Supplier Signature:		<i>Steve Hoobler</i>
Buyer Signature:		<i>[Signature]</i>
THE SUPPLIER SIGNATORY ABOVE HAS THE AUTHORITY AND KNOWLEDGE TO BIND THE SUPPLIER TO THE CONTRACT AND AGREES TO THE TERMS & CONDITIONS. SUPPLIER AGREES TO CONFORM WITH TERMS STATED IN TERMS & CONDITION ATTACHMENT.		



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## \* Timing:

The CIP Equipment shall be fully delivered, assembled and in full satisfactory operation, for its intended purpose as determined in good faith by Buyer ("Final Delivery") within one year of December 23, 2014 (the "Due Date"). As an incentive for early completion, the Buyer shall pay the Seller a bonus of \$4,200 per day prior to the Due Date that the Seller achieves Final Delivery, not to exceed \$250,000.00. In addition, the Seller has been informed by Buyer that the CIP Equipment is vital to the commercial operations of the Buyer, and that any failure to achieve Final Delivery by the Due Date will result in economic harm to the Buyer. As such, the Seller shall be liable to the Buyer in the amount of \$4,200 ("Liquidated Damages") for each day after the Due Date that the Seller fails to achieve Final Delivery, not to exceed \$250,000.00. The Seller acknowledges that the actual damages which the Buyer may incur for a failure of Seller to achieve Final Delivery by the Due Date are difficult to estimate, and that these Liquidated Damages are a reasonable approximation of the damages which the Buyer expects to incur.

## \* Buyer's Obligations

Buyer shall in good faith comply with its delivery obligations with respect to any items identified to be supplied "by Customer" in the attached Exhibit A, in order for Seller to have an opportunity to achieve its bonus as set forth above. If the Seller is in compliance with the terms of this Purchase Order and the Buyer terminates the Order, the Buyer will be obligated to pay the seller the portion of the Purchase Price earned, based on the milestones percent completed as detailed in Attachment B, plus costs incurred towards the next milestone.

-The Buyer will supply sufficient evidence that funds are available in the form of a payment guarantee based on the payment terms.

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Total:		8,166,700.00
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Supplier Signature:		<i>[Signature]</i>
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## GENERAL TERMS AND CONDITIONS

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1. **IMPORTANT.** Unless explicitly stated otherwise in any national or master agreement between the parties, the Terms and Conditions set forth in this document supersede and nullifies any other Terms and Conditions found in any other agreements, including but not limited to Seller's web site, rental agreements, field dispatch agreements, contracts, field time sheets, invoices or documents between the parties. Usual and/or customary business practices do not supersede the Terms and Conditions found in this Purchase Order (either page 1, 2 or 3).
2. **Modification:** No modification of this order shall be effective without Buyer's written consent. No course of prior dealing, no usage of the trade and no course of performance shall be used to modify, supplement or explain any terms used in this order. These terms and conditions are the binding document or agreement and shall supersede and take precedence over any other documents including rental agreements or field tickets etc. provided by the Buyer including the striking of any conflicting indemnity language from the Buyers documents for the services, labor, equipment, parts or products provided to the Buyer through the use of this Purchase Order.
3. **Termination:** Buyer reserves the right to terminate this order at any time prior to Final Delivery by written or telegraphic notice confirmed in writing. If Buyer terminates, the Supplier shall be entitled to recover its actual, direct costs incurred in connection with the work and services performed under this order, but it no event shall Supplier be entitled to retain more than the amount already paid by the Buyer prior to the termination based on Milestones achieved, attached as Exhibit B.
4. **Delivery:** Time is of the essence in this order and, if delivery of conforming goods or performance of conforming services is not completed by the time(s) promised, Buyer reserves the right, in addition to its other rights and remedies, to cancel this order, to reject such goods or services in whole or in part on reasonable notice to Seller and/or to purchase substitute goods or services elsewhere and charge Seller with any loss incurred. Any provisions herein for delivery of goods or performance of services by installments shall not be construed as making the obligations of Seller severable. Shipment sent C.O.D. without Buyer's written consent will not be accepted and will be at Seller's risk. Seller and Bank must approve any replacement by Buyer of any rejected parts.
5. **Compliance:** Seller represents and warrants that the prices charged, and the goods and/or services covered by this order, comply with all applicable laws and government rules, orders or regulations in effect at time of quotations, sale, delivery and performance.
6. **Contingencies:** Failure of Buyer to perform hereunder, in whole or in part, occasioned by act of God or the public enemy, fire, explosion, penis of the sea, flood, drought, war, riot, sabotage, accident, embargo, government priority, requisition or allocation, by interruption or delay in transportation, labor disputes from any cause whether or not the demands of the employees involved are reasonable and within the Buyer's power to concede, compliance with any order or request of any government officer, department, agency or committee, or any circumstance of like or different character beyond the reasonable control of the Buyer, shall not subject Buyer to any liability or increased costs. At Buyer's option, the period specified for delivery of goods or performance of services hereunder shall be extended by the period of delay occasioned by any such circumstance. The provisions of this paragraph shall be effective notwithstanding that such circumstance shall have been operative at the date of this order. These Contingencies also apply to the Seller.
7. **Warranties:** In addition to all warranties and remedies available under law, Seller hereby warrants and agrees that:
- (a) All goods and services covered by this order shall conform to the specifications, drawings, samples or other descriptions specified by Buyer and/or Owner and shall be merchantable, fit for the purposes intended, of best quality and workmanship and free from all defects. Buyer shall have the right of inspection and approval, and may, in addition to its other rights and remedies, reject and return goods or require re-performance of services and/or goods at Seller's expense if defective or not in compliance with the specifications. Defects shall not be deemed waived by Buyer's failure to notify Seller upon receipt of goods, inspection, or completion of services, or by payment of invoice.
  - (b) No disclosure, description or other communication of any sort shall be made by Seller to any third person of the fact of Buyer's purchase of goods or services hereunder, or of the details and characteristics thereof, without Buyer's prior consent in writing. Anything furnished to Seller by Buyer pursuant to this order, including without limitation, samples, drawings, patterns and materials, shall remain the property of Buyer, shall be held at Seller's risk and shall be returned upon completion of the work, and no disclosure or reproduction thereof in any form shall be made without Buyer's prior consent in writing.
  - (c) The use or sale of any goods delivered hereunder, or any part thereof, except goods produced to Buyer's drawing or specifications, shall not infringe any patent, trademark or other property right. Seller shall indemnify, defend and save harmless Buyer, its officers, employees, customers of any tier and their respective successors and assigns, or any of them, from and against any and all liability, damage, loss, cost or expense incurred in connection with any claim, suit or action for actual or alleged infringement of any such rights.
  - (d) The foregoing warranties shall survive acceptance of goods and performance of services hereunder. These remedies are in addition to all other rights and remedies available to Buyer, including, but not limited to, those existing under the California Commercial Code.
8. **Loss In Transit and Environmental Responsibility:** Title and risk of loss in transit shall not pass to Buyer until delivery to Buyer (or to carrier designated by Buyer in cases where shipment is made F.O.B. Seller's shipping point). All shipping shall be in accordance with all applicable federal, state, provincial or local laws or regulations, including but not limited to U.S. Department of Transportation and U.S. Environmental Protection Agency regulations for hazardous substances. Buyer shall not be liable for any discharge, spill, loss, damage or other incident, including but not limited to, expense for any clean-up costs, involving any materials transported hereunder prior to completion of such delivery.
9. **Marking:** Seller shall mark each package or shipment clearly with Buyer's name and address, contents and this purchase order number.
10. **Assignment:** Assignment of this order or of any interests herein or of any money due or to become due hereunder without the prior written consent of Buyer shall be void.
11. **Governing Law:** This order shall be governed by the laws of the state of California, without regard to conflicts of law principles. Unless otherwise indicated by the context, whenever a term used in this order is defined in the Uniform Commercial Code, the definition contained therein is controlling as to the meaning of the term.
12. **Forum:** The parties hereto agree to submit to the exclusive jurisdiction of the state and federal courts of California, as appropriate, with respect to any controversy arising hereunder. In the event of any litigation between the parties hereunder, the prevailing party shall be entitled to recover its reasonable attorneys' fees, expert fees, costs and expenses incurred.
13. **Employees, Insurance, Indemnification:** (a) In performing any services hereunder, Seller is, and undertakes performance thereof as, an independent contractor, with sole responsibility for all persons employed in connection therewith, including without limitation exclusive liability for the payment of all Federal, State and local Unemployment and Disability Insurance and all Social Security and/or other taxes and contributions payable in respect of such persons.
- (b) If this order shall require the presence on Buyer's or its customer's property of Seller's employees, subcontractors or others under Seller's control, Seller shall comply, and cause its subcontractors to comply, with all applicable regulations and rules of such premises, including, without limitation, those relative to the environment, safety and fire prevention. In the event Seller is a subcontractor, Seller hereby agrees to be bound by any and all terms, conditions and requirements, including those dealing with insurance, indemnity and safety, contained in Buyer's Prime Contract to the same extent Buyer is so bound.
- (c) Seller hereby agrees that before commencing any work it will obtain and maintain, and cause its subcontractors, if any, to obtain and maintain, Insurance Policies with unimpaired limits of coverage of no less than the following:
- (i) Workers' Compensation and Occupational Diseases, including Employer's Liability, subject to a limit no less than \$500,000 or the statutory requirements whichever is greater.
  - (ii) Comprehensive General Liability Insurance, including products, completed operations, premises and contractual liability endorsements, with limits of at least \$2,000,000 for each occurrence.
  - (iii) Comprehensive Automobile Liability Insurance with limits for bodily injury and property damage combined of \$2,000,000. This coverage shall include insurance for non-owned and hired vehicles.
  - (iv) Seller shall provide a separate insurance policy, or endorsement, as appropriate, evidencing the insurance of the equipment from all forms of loss or damage, for the full replacement value of the equipment, in form and content satisfactory to Buyer. All of the above insurance shall be written through a company or companies satisfactory to Buyer, shall name the Buyer and, where applicable, the Owner as additional insureds (except under Statutory Part I of the Workers' Compensation and Occupational Diseases Insurance). All of the insurance coverage provided by Seller will be primary to, and not contributing with, any other available insurance coverage of Buyer and Owner and shall contain a waiver of any rights of subrogation in favor of Buyer and Owner. Seller shall provide Buyer certificates obligates the insurer to notify the Buyer at least thirty (30) days in advance of effective date of any modification and/or cancellation.
  - (d) The Seller agrees to defend, indemnify, protect and save harmless the Buyer and Owner from and against any and all liability, losses, damages, costs, claims, lawsuits, whether groundless or not, judgments, settlements and expenses, including without limitation attorneys' fees and court costs ("Claim"), arising from bodily injury or property damage to any persons, whether employed by the Buyer, Seller or others, including death, or damage to any property, whether owned, leased or used by the Buyer, Seller or others, including without limitation, the loss of use thereof, occurring or arising out of or in connection with the goods or services herein contemplated, whether or not occurring or arising out of or claimed to have occurred or arisen out of the concurrent acts or omissions of the Buyer, Owner, their agents, representatives or employees. This indemnification by the Seller includes either active or passive negligence by the Seller or Buyer or both or their employees, agents or representatives. No obligations under this Paragraph is not affected by any insurance required by this Agreement, or any other insurance carried by Seller.
14. **Surety Bond:** If required on the face of this Purchaser Order, Seller agrees to obtain, maintain and furnish to the Contractor acceptable surety bonds, including Performance and Payment Bonds, in amounts specified by the Buyer guaranteeing the faithful performance of, and compliance with, all the terms, provisions and conditions of this Purchase Order.
15. **Anti-Kickback Policy:** Neither Seller nor any of its subcontractors or suppliers furnishing any of the order shall pay any commissions or fees or grant any rebates or other remuneration or gratuity to any employee, director, agent or representative of Buyer or to any member of the immediate family of any of the foregoing persons. Neither Seller nor any of its subcontractors or suppliers furnishing any of the order shall pay any commissions or fees or grant any rebates or other remuneration or gratuity to any employee, director, agent or representative of the other or to any member of the immediate family of any of the foregoing persons. Gifts of nominal value and entertainment, meals and social invitations that are customary and proper under the circumstances and do not place the recipient under any obligation (actual or implied) are acceptable. If any employee of Buyer should solicit a gift or gratuity from Seller, then Seller hereby agrees to notify an officer of Buyer of such act, and Buyer agrees to hold such notification in confidence. Failure by Seller to comply with this Section 15 may, at the Buyer's option, result in the termination of this Purchase Order and may preclude any of its affiliates at any time, and from time to time, while this Purchase Order remains in effect and for a period of two (2) years thereafter.
16. **Severability**
- If any provision of this Agreement as applied to any party or to any circumstance shall be adjudged by a Court to be void and unenforceable, the same shall in no way affect: Any other provision of this Agreement; The application of such provision in the other circumstances; and the validity or enforceability of the Agreement as a whole.
17. **FAR Provisions:** The Federal Acquisition Regulation (FAR) clauses incorporated in the Prime Contract shall have the same force and effect as if printed in full text herein. In all clause listed herein and in the Prime Contract, the terms "Government", "Contracting Officer" and "Contractor" shall be revised to suitably identify the contracting parties herein and effect the proper intent of the provision, including but not limited to the dollar limitations, except where further clarified or modified herein. Each and every provision required by law to be inserted in this Subcontract shall be deemed to be inserted herein, and the Subcontract shall be read and enforced as though such provisions were included herein. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then by mutual agreement, the Subcontract shall forthwith be physically amended to make such insertion as a matter of law and contract.
18. **Compliance and Ethics Program:** Whether or not the Project is covered by the FAR, the Engineer/Contractor shall implement within 90 days of contract award, and thereafter maintain a compliance and ethics program that at a minimum, meets the standards set forth in the FAR clauses 52.203-13 and 14 (Contractor Code of Business Ethics and Conduct; Display of Hotline Posters). Upon request, the Engineer/Contractor will make the full text of its Compliance and Ethics Program, including its Code of Business and Ethics and Conduct available for review. The full text of FAR clauses 52.203-13 and 14 may be accessed electronically at this address: [https://www.acquisition.gov/guidance/html/52\\_203\\_206.html](https://www.acquisition.gov/guidance/html/52_203_206.html)
- Vendor/Contractor Acknowledgement of General Terms & Conditions *[Signature]*

# **EXHIBIT A**



16 YARD **TWIN** DREDGE  
SULLY-MILLER CONTRACTING CO. (11/4/14)

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**SECTION 1.0 EQUIPMENT SPECIFICATIONS AND PRICE**

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We would like to provide the following information about the Supreme Manufacturing, Inc. equipment.

**General**

MD class transportable mechanical dredges are designed to Supreme Manufacturing, Inc.'s strict manufacturing practices for dredging and mining service. We have included several other design standards that are detailed within the technical specifications found later in this document. The dredge is designed for one man operation from a central control room. From there, an operator friendly interface allows for simple operation of all of the dredging and monitoring functions. The dredge is designed so that the wear parts are easily accessible and are designed for economic replacement. When possible, parts will be from a domestic source for better availability. The pontoons are designed with bolt up connections for assembly.

***DREDGE STANDARD FEATURES:***

Model:	<b>SMI-16 YARD TWIN-MD (MINE DUTY GANTRY)</b>
Bucket capacity:	(2) 16 cubic yard (with extra weight for better penetration)
Bucket type:	electro-hydraulic
Digging depth:	320 feet (by customer)
Hoist frame type:	gantry
Hoist system:	(2) 50 ton hoist with AC motor (by customer)
Controls:	Complete electrical package
Main screens:	(2) Deister 8'x24' double deck with modular polyurethane screens
Feed system:	hopper, grizzly and hydraulic actuated feed gates to main screens
Shore anchoring:	(4) deck winches (600 feet on each winch supplied with dredge)

***Inspection Platforms***

The walkways and platforms will promote proper equipment inspection and routine maintenance procedures. All walkways and are provided with anti-skid decking features and galvanized handrails. Walkways, platforms and ladders are designed to meet typical MSHA standards, but each local inspector may have their own nuances and it is the responsibility of the customer to make sure that all MSHA requirements are met.

***Dredge Off-Load Conveyor:***

(1) 42"x80' dredge offload conveyor

Our conveyor will discharge onto the floating conveyors provided by the customer.

***Fresh water pump:***

This is a 6" FL Smidth Krebs vertical fresh water pump with 75 HP motor with a manifold to supply water to the top deck of the primary screen and five valves for washing off the deck.

***Crusher:***

- ✓ 30"x55" jaw crusher with 150 HP TEFC electric motor and V-belt drive and sheave package (by customer)
- ✓ Mounting stand & chutes to & from crusher

Your investment for the **SUPREME** dredge:

**\$8,166,700**





16 YARD TWIN DREDGE  
SULLY-MILLER CONTRACTING CO. (11/4/14)

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SECTION 1.0 EQUIPMENT SPECIFICATIONS AND PRICE

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Prices are delivered and assembled on your site in Irwindale, CA, and also includes 2 weeks onsite training by an experienced dredge operator. **Please note the crane, operator and man lift with 80' of lift are to be provided by the customer.** The crane, operator and man lift will be needed upon delivery to unload trucks and during the assembly, which will take approximately three months.

Price is based on current steel and electrical copper pricing.

**SPECIAL TERMS AND CONDITIONS (SEE BUYER'S PURCHASE ORDER)**

Please note, the dredge is designed for and will have the mounts for the fine sand recovery system to be added at the customer expense at a later date.



16 YARD TWIN DREDGE  
SULLY-MILLER CONTRACTING CO. (11/4/14)

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**SECTION 1.0 EQUIPMENT SPECIFICATIONS AND PRICE**

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TECHNICAL DATA

Bucket

volume	16 cubic yards each
weight	22 tons each
motor HP	150 HP each
average bucket opening	11 seconds
average bucket closing	19 seconds
opening pressure	4000 psi
closing pressure	4000 psi

Trolley Hoist

working load	by customer
heat treated drum	by customer
digging depth	by customer
hoisting (underwater)	by customer
hoisting (free air)	by customer
lowering	by customer
digging positions	two for each bucket
trolley traveling	120 feet/minute

Positioning winches (4)

bare drum line pull	13,000 lbs
cable diameter	3/4 inch galvanized
cable storage capacity	600 feet supplied with dredge

Motor outputs

hoisting and lowering	4 x 400 ??HP (by customer)
hoist brake	4 x 3 ?? HP (by customer)
trolley traveling	8 x 7-1/2 HP
bucket opening and closing	2 x 150 HP
grizzly tilt, hopper gate	1 x 75 HP (hydraulic)
dewatering screen (main)	2 x 75 HP
conveyors (shuttle to discharge)	2 x 5.5 HP
anchoring winches	4 x 10 HP
fresh water pump	1 x 75 HP
crusher	1 x 150 HP (by customer)
dredge off load floating conveyor	1 x 40 HP
floating conveyors	4 x 40 HP (by customer)
water to land conveyor	1 x 75 HP (by customer)
spare boxes	4 x 40 HP
dewatering screen (sand) (optional)	2 x 20 HP
fine sand pump (optional)	2 x 75 HP
silt pump (optional)	1 x 75 HP



16 YARD TWIN DREDGE  
SULLY-MILLER CONTRACTING CO. (11/4/14)

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SECTION 1.0 EQUIPMENT SPECIFICATIONS AND PRICE

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SCOPE:

- A. PONTOONS
- B. GANTRY
- C. STAIRS, LANDINGS, CATWALKS, HANDRAILS AND LADDERS
- D. HOIST (BY CUSTOMER)
- E. TROLLEY HOUSE (BY CUSTOMER)
- F. TROLLEY TRAVEL DESIGN
- G. HYDRAULIC BUCKET AND MOTOR
- H. HOPPER AND AUTOMATED FEED GATE
- I. GRIZZLY AND OVERSIZE CHUTE
- J. DEWATERING SCREEN
- K. OPERATOR'S CABIN AND CONTROL ROOM
- L. ELECTRICAL CONTROLS AND EQUIPMENT
- M. DREDGE AUTOMATION PROGRAM
- N. POSITIONING WINCHES
- O. DREDGE OFF-LOAD CONVEYOR
- P. FINE SAND RECOVERY SYSTEM (OPTIONAL)
- Q. FRESH WATER PUMP
- R. CRUSHER (BY CUSTOMER)
- S. COATINGS
- T. BUILDING STANDARDS





16 YARD **TWIN DREDGE**  
SULLY-MILLER CONTRACTING CO. (11/4/14)

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**SECTION 1.0 EQUIPMENT SPECIFICATIONS AND PRICE**

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**DREDGE GENERAL DESCRIPTION**

**A. PONTOONS**

The pontoon configuration provides excellent stability with minimal rocking or tipping, providing better equipment life and increased output. The pontoons are designed single compartment flood-ability. Each chamber is accessible by a manhole. The manhole is sealed with rubber o-ring seals and flush mounted with the deck, providing minimal water leakage. The pontoon sides, top and bottoms are constructed with a minimum 1/4" steel plate. Breathers will be installed in each pontoon compartment to help alleviate the buildup of pressure. Once the dredge is operational and properly ballasted, a line will be painted on the pontoons to provide a visual check for buoyancy.

**B. GANTRY**

The gantry is constructed with two deep box girders and box style end ties. Entire gantry built to CMAA class F specifications (Extreme duty cycle) USA specifications. Supreme uses a hardened crane rail (ASCE 105 lbs./ft.) with a shock absorbing pad and adjustable hold down clips. This provides for much smoother trolley travel and extended rail life. Also if and when the rail were to wear out, the adjustable bolted clip allow for easy rail replacement, as opposed to a weld down steel bar. Polyurethane end bumpers softly secure the trolley at each end of the crane rail, in the event of over travel.

**C. STAIRS, LANDINGS, CATWALKS, HANDRAILS AND LADDERS**

The dredge is provided with walkways and platforms to promote proper equipment inspection and routine maintenance procedures. All walkways and are provided with anti-skid decking features and galvanized handrails. Walkways, platforms and ladders are designed to meet typical MSHA standards, but each local inspector may have their own nuances and it is the responsibility of the customer to make sure that all MSHA requirements are met.

**D. HOIST (BY CUSTOMER)**

The hoists are provided by the customer and will be needed at the dredge assembly site approximately one month after the dredge assembly is commenced by Supreme. We have observed the two existing customer hoists and there doesn't appear to be any damage that would make them unusable, but we did not verify the structural integrity of the hoist or the gear boxes. Any analysis of this equipment is the responsibility of the customer. Supreme will provide two sets of cables for a 320' digging depth.

**E. TROLLEY HOUSE (BY CUSTOMER)**

The trolley house will be provided by the customer and will be needed at the dredge assembly site approximately one month after the dredge assembly is commenced by Supreme. We suggest the house have a beam in the center of the roof with a small winch for use in changing cables. We also suggest the lights be attached to the side panels, so the roof can be easily removed, if needed.

**F. TROLLEY TRAVEL DESIGN**

Supreme will supply new end trucks to bolt up to the customer's existing hoists. Four driven crane style roller bearing trolley wheels provide smooth travel and good acceleration.

**G. HYDRAULIC BUCKET AND MOTOR**

The heavy duty bucket comes with weld on shanks and replaceable teeth. The Supreme spade nosed bucket has no internal bracing that can allow material build-up. The extra heavy duty arced lip provides Supreme strength and digging capabilities.

**H. HOPPER AND AUTOMATED FEED GATES**

The hopper is constructed from 3/8" plate with gussets and braces and has a loading capacity of approximately two buckets. The feed gates provide even distribution onto the main screen. The gates can be controlled either automatically with the PLC programming, or over-ridden and controlled manually with a toggle switch. Gates are visible from the operator's cab.



16 YARD TWIN DREDGE  
SULLY-MILLER CONTRACTING CO. (11/4/14)

**SECTION 1.0 EQUIPMENT SPECIFICATIONS AND PRICE**

**I. GRIZZLY AND OVERSIZE CHUTE**

The grizzly is constructed from steel plate to form a grid with 6" openings as specified by the customer. The grid is transversely supported by heavy wall square tube. The double hydraulic cylinder actuated dump grizzly tilts by pivoting at the edge of the oversize chute on bearing blocks with bushings and shafts. The chute is constructed of 3/8" plate and supported with angle iron and plate gusset. The oversize chute includes liners similar to your previous dredge.

**J. DEWATERING SCREEN**



- ✓ (2) TFO-2824, double deck, 8' x 24' Deister Heavy Duty Horizontal Vibrating Screen.
- ✓ Deister screens are made in Fort Wayne, Indiana. This provides for support and replacement parts domestically available.
- ✓ The design also includes a 30" feed box between the feed gates and the primary screen. This box spreads the material over the entire width of the screen much better than feeding the material directly onto the surface of the screen. If additional water is desired, the box allows water to be sprayed over all the material much more efficiently.
- ✓ The top screen deck is provided with modular polyurethane screens, with approximately 1-1/4" openings. The second deck is supplied with modular polyurethane screens with Maxi VR long narrow slots for dewatering fine material.

**K. OPERATOR'S CABIN AND CONTROL ROOM**

The operator's cabin is spacious, with large bay windows protruding outward to give the operator excellent visibility. Control panels are ergonomically located for easy operation of the entire dredge system. Cab features include air conditioning, heater, insulation, lighting, and an operator's seat.

**L. ELECTRICAL CONTROLS AND EQUIPMENT**

**The customer will provide 480 volt power to the onboard dredge motor control center** and will be needed at the dredge assembly site approximately two months after the dredge assembly is commenced by Supreme.

The system includes a Programmable Logic Control (PLC). Exclusive automation monitors closing of bucket and gives bucket relief-lift only if, and proportionate to the amount that is needed to maximize material volume in bucket.

The controls in operator's cabin include:

- ✓ Toggle switch for bucket and trolley manual control
- ✓ Switch for automatic bucket and trolley control
- ✓ Toggle switch for manual operation or override of feed gates
- ✓ Selector switch for manual or automatic operation of feed gates
- ✓ Toggle switch for operation of tilting grizzly
- ✓ Emergency stop buttons
- ✓ Bucket tonnage meter
- ✓ Bucket depth display
- ✓ Four toggle switch controls for activation of deck winches
- ✓ PLC controller screen for monitoring and adjustment by operator
- ✓ Lighted push-button controls for start and stop of equipment
- ✓ Diagnostic screens show faults or interruptions

The dredge includes a light package for night operation.  
Electrical equipment meets NEC code specifications.

**M. DREDGE AUTOMATION PROGRAM**

Using the powerful PLC controls, the dredge can make minor adjustments automatically, such as locating the bottom, and making the corresponding adjustments. The PLC can also automatically eliminate most potentially damaging or dangerous situations that could occur from the machine running out of sequence. For example, if the grizzly is up, the bucket will stop just before the hopper and will wait until the grizzly is lowered and then resume in the automatic mode.



16 YARD TWIN DREDGE  
SULLY-MILLER CONTRACTING CO. (11/4/14)

**SECTION 1.0 EQUIPMENT SPECIFICATIONS AND PRICE**

**N. POSITIONING WINCHES**

The dredge is equipped with four (4) corner mounted positioning winches for movement of the dredge into the material to be excavated. When possible, they are positioned so that each can be seen from the operator's cabin. The cables are secured to the gantry girders by sheave blocks, and then go directly to their shore anchor locations. This system keeps the cables mostly out of the water, and keeps the area adjacent to the dredge open for easy travel to and from the dredge. The winches are controlled from the control cabin using fingertip controls.

**O. DREDGE OFF-LOAD CONVEYOR**

The Supreme dredge off load conveyor will discharge on to the customer's floating conveyor system.

The off-load conveyor includes the following components:

- ✓ 16"x44" rubber lagged head pulley with 3-7/16" shaft and Dodge E type bearings
- ✓ 14"x44" winged tail pulley with 2-15/16" shaft and Dodge E type bearings and removable cage guard
- ✓ Dodge TA series shaft mounted reducer, backstop, motor mount, drive & guard
- ✓ 40 HP TEFC electric motor
- ✓ 5" 35 deg. CEMA C sealed troughing idlers on 4' spacing (one 20 deg. at head & one at tail)
- ✓ **impact** idlers at loading point
- ✓ 5" steel sealed return idlers on 10' spacing
- ✓ 3 ply 3/16"x1/16" belting
- ✓ standard receiving hopper
- ✓ belt scraper

**P. FINE SAND RECOVERY SYSTEM (OPTIONAL)**

The dredge will not include the fine sand recovery system, but will be designed with the pads for mounting the system in the future.



- ✓ (2) TFO-1712, single deck, 7' x 12' Deister Heavy Duty Horizontal Vibrating Screen.
- ✓ Deister screens are made in Fort Wayne, Indiana. This provides for support and replacement parts that are domestically available.
- ✓ 6" FL Smidth Krebs vertical sand pump with 75 HP motor
- ✓ 20" FL Smidth Krebs rubber lined hydro-cyclone
- ✓ Associated steel tower structure, piping and sump tank
- ✓ 6" FL Smidth Krebs vertical silt pump with 75 HP motor (The silt discharge line is provided by the customer)

**Q. FRESH WATER PUMP**

The fresh water pump can be used to supply water to the screen decks or for dredge wash down. It consists of:

- ✓ 6" FL Smidth Krebs vertical sand pump with 75 HP motor
- ✓ manifold and five valves with two hoses for wash down

**R. CRUSHER (BY CUSTOMER)**

The customer will provide a used Tel-smith 30"x55" jaw crusher with a 150 HP electric motor and will be needed at the dredge assembly site approximately one month after the dredge assembly is commenced by Supreme. Supreme will provide the crusher stand and chutes.



16 YARD TWIN DREDGE  
SULLY-MILLER CONTRACTING CO. (11/4/14)

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SECTION 1.0 EQUIPMENT SPECIFICATIONS AND PRICE

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**S. COATINGS**

Non-immersion:

- ✓ Blast all steel SSPC-SP6. Blast to achieve 1- to 2- mils profile as determined with a surface profile comparator
- ✓ First coat; 2-4 mils (dry film thickness) Oxide red epoxy
- ✓ Second coat; 4-6 mils (dry film thickness) Pearl Grey epoxy
- ✓ Finish coat; 2 mils (dry film thickness) polyurethane

Decks:

- ✓ Blast all steel SSPC-SP6. Blast to achieve 1- to 2- mils profile as determined with a surface profile comparator
- ✓ First coat; 1-3 mils (dry film thickness) Oxide red epoxy
- ✓ Second coat; 4-6 mils (dry film thickness) Pearl Gray epoxy
- ✓ Finish coat; 4-6 mils (dry film thickness) Pearl Gray epoxy with non-skid added

Immersion:

- ✓ Blast all steel SSPC-SP10. Blast to achieve 2- to 4- mils profile as determined with a surface profile comparator
- ✓ One coat; 16 mils (dry film thickness) Coal Tar epoxy or equivalent

Flotation Tanks Interior:

- ✓ The interior of flotation tanks are not coated.

**T. BUILDING STANDARDS**

Dredges manufactured by Supreme Manufacturing, Inc. are designed and built using the following regulations as our guidelines:

- ✓ Manual of Steel Construction by the American Institute of Steel Construction.
- ✓ Structural Welding Code – Steel by the American Welding Society and the American National Standards Institute
- ✓ Mining Safety and Health Act
- ✓ Occupational Safety and Health Act
- ✓ Surface Preparation Specifications Steel Structures Painting Council
- ✓ National Electrical Code Handbook

**Note:** *Specifications may change due to continual product improvement*

# **EXHIBIT B**

SUPREME MFG. INC.										
16 YARD TWIN DREDGE										
MILESTONES BY CATEGORY										
QUOTES - SULLY-MILLER CONTRACTING CO.										
16 YARD TWIN DREDGE PRICES BY CATEGORY - SULLY-MILLER CONTRACTING CO.XLS										
12/22/14										
CATEGORY & DESCRIPTION		PAYMENT SCHEDULE		12/23/14	2/21/15 60 DAY	4/22/16 120 DAY	6/21/16 180 DAY	9/19/15 UPON DELIVERY PROGRESS PAYMENT	1/22/16 30 DAYS AFTER STARTUP FINAL PAYMENT	TOTAL
		8,166,700.00		10.00%				75.00%	15.00%	100.00%
				816,670.00				6,125,025.00	1,225,005.00	8,166,700.00
A	PONTOONS			10%	25%	25%	40%			100%
B	GANTRY & LEGS			10%	25%	25%	40%			100%
C	STAIRS LANDINGS CATWALKS, HANDRAILS & LADDERS					50%	50%			100%
D	HOIST CABLES HOISTS (BY CUSTOMER)						100%			100%
E	TROLLEY HOUSE (BY CUSTOMER)									
F	TROLLEY TRAVEL DESIGN & NEW END TRUCKS			15%	50%	50%				100%
G	HYDRAULIC BUCKET & MOTOR				25%	35%	25%			100%
H	HOPPER, & AUTOMATED FEED GATE						50%	50%		100%
I	GRIZZLY & OVERSIZE CHUTE						50%	50%		100%
J	DEWATERING SCREENS				80%		20%			100%
K	SCREEN FRAMES, POSSUM BELLYS, WALKWAYS						50%			100%
L	OPERATORS CABIN & CONTROL ROOM				50%		50%			100%
M	ELECTRICAL CONTROLS & EQUIPMENT			30%		30%	35%		5%	100%
N	DREDGE AUTOMATION PROGRAM					50%	50%			100%
O	POSITIONING WINCHES & CABLES				50%		50%			100%
P	DREDGE OFF-LOAD CONVEYOR					50%		50%		100%
Q	FINE SAND RECOVERY SYSTEM (OPTIONAL)									
R	FRESH WATER PUMP, SUMP, MANIFOLD, HOSES, ETC.					50%	50%			100%
S	CRUSHER STAND CHUTES & PONTOON REINFORCEMENTS				20%	40%	40%			100%
T	COATINGS & GALVANIZING						50%	50%		100%
U	BUILDING STANDARDS									
V	ASSEMBLY & TRUCKING									
W	HYDRAULIC UNIT, DUMP CYLINDERS, HOPPER GATES, HOSES, ETS.				50%		50%	30%	70%	100%
	MISC.					50%		50%		100%
TOTAL										

\* DEPOSIT ON LONG LEAD ITEMS